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ABSTRACT

The differences in earnings among high school drop-outs, those with some college/training, and a college graduate with a Bachelor's degree is widening every year. In 1990, high school dropouts earned only 46 cents for every dollar a high school graduate earned. With some college or additional training after high school, U.S. workers earned an additional $2,436 per year, or about 20 percent more than high school graduates. Those with a four-year college degree earned almost twice as much as high school graduates. When the cost of living was compared to these earnings, only those with some postsecondary education had money for more than necessities for the year. In addition to the dollar value of education, there are other less tangible but no less important reasons for getting an education. An education will help one make better decisions, learn how to learn, appreciate and understand more things, cope better with change, attempt more things, use abilities and talents, and provide more job security. (KC)

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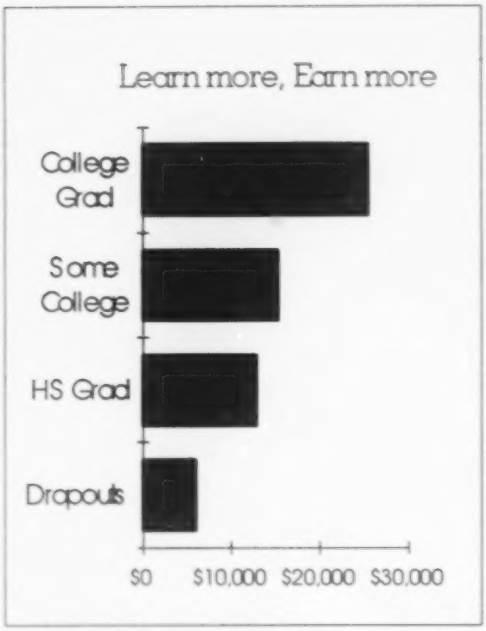
The Dollars of Education--part 1

FIRST THINGS FIRST!

Why are we starting with the dollars-side of an education? Because we know that many, many of you are most interested in the money you will make after you get a college degree. You can look at the facts on this page and begin to understand the impact of more education on your life in relationship to money. Then, after you finish this section, you can turn to the other reasons why you will benefit from more school and training.



THE $ DIFFERENCE!

The differences in earnings among high school drop-outs, those with some college/training, and a college graduate with a Bachelor's degree is **w-i-d-e-n-i-n-g** every year. There is a definite money gap!

According to the 1990 Census, the High School Drop-out is now earning only $.46 for every dollar that a High School Graduate earns. (In 1987, the High School Drop -out earned $.67 for every dollar a High School Graduate earned.) With some college or additional training after high school, U.S. workers earn an additional $2,436 per year, or about 20% more than the High School Graduate. And with a 4-year college diploma, U.S. workers earn almost two times as much as the High School graduate.

With these figures, do you think you can afford ***not*** to get more education?
Let's look at it.

U.S. EARNINGS--1990

Workers without a high school diploma earned on average $5904 per year, according to the 1990 Census. If we assume that these employees worked full-time for a whole year, they earned only $2.84 an hour. Since we know that minimum wage is higher than that, we must assume that these people worked only part-time, worked in jobs that didn't have to pay minimum wage, or were without a job part of the year.

U.S. workers who had a high school diploma earned on average $12,924 per year. These employees averaged $6.21 an hour. Employees who had additional training beyond high school earned over a dollar more an hour than the High School Graduate. The 4-year College Graduate earned an average of $25,392 a year or $12.21 an hour--a gain of $6.00 an hour over the High School Graduate or almost double it!

EARNINGS VERSUS LIVING EXPENSES

Depending upon your income, you may or may not be able afford to live 'on your own.' You may know people who are out of high school or college and are still living at home with their parents or other family members. Their income may be less than the cost-of-living. The figures below are the cost of basic necessities for a year:

Rent:	$4488
Utilities (gas, electricity, water, phone):	1890
Transportation:	3493
Clothes/Personal Items:	1617
Food/Household:	2891
TOTAL:	$14,379

These expenses include ONLY the necessities! This list doesn't include medical expenses, a car payment or taxes. No fun or extra items are included either!

*Cost of Living Data taken from *Statistical Abstract of US., 1990, U.S. Department of Commerce*

Now, let's look at living expenses compared to income. The following amounts of education will allow you this amount of money for the "extras."

High School Dropout: Salary: $5904
Living Expenses: -14,379
(-$8475)

High School Graduate: Salary: $12,924
-14,379
(-$1455)

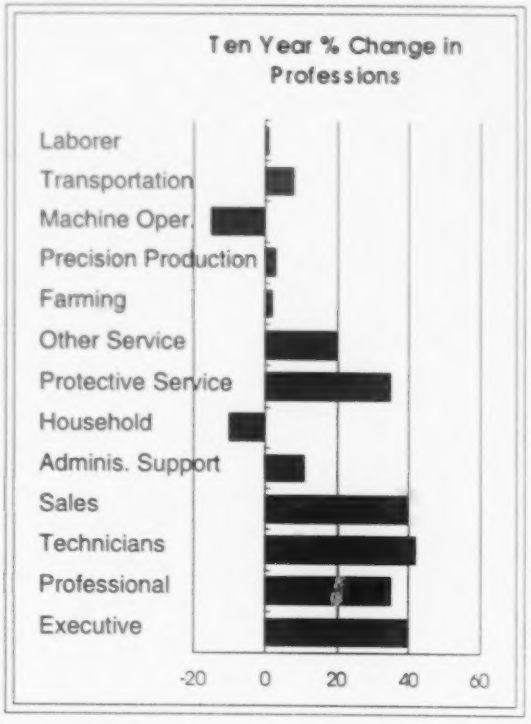
Some College/Training: Salary: $15,360
-14,379
$981

College Graduate: Salary: $25,392
-14,379
$11,013

You can see from this comparison that High School Dropouts do not make enough to live on their own. The High School Graduate is also in debt. **Only those with some postsecondary education have any extra money at the end of the year!**

JOBS OF THE FUTURE

Another reason that you will need some training or more education after high school is that jobs and the job market are changing rapidly. The 1990 Census reports that the areas of machine operators (usually factory positions) and household service jobs declined in the past ten years. Job areas which grew less than 5% in the past ten years include laborers, precision production, and farming. All five of these categories require less than or a high school education.



The areas of Other Service, which include barbers, health club workers, dry cleaners, and bakers, Protective Services and Transportation grew. These positions may or may not require a high school diploma or additional education after high school.

The greatest increase in job areas were in positions which require additional training and education after high school. These were Sales, Technicians, Professional and Executive. According to the survey, nearly one worker out of three were in the last three categories; these included financial managers, accountants, lawyers, architects, engineers, computer programmers, teachers, doctors, scientists, and dental hygienists. This category grew by 38%.

Even as the job market grew, so did the population and the numbers of people wanting jobs. The size of our population increased by 10%; the size of the workforce increased by 18%. So, more people are wanting jobs than ever before.

With the change in the types of jobs available and more people wanting them, you will have to get more education to compete. Employers will be looking for the best educated workers they can find. And there are more well-educated people in our country than before. In 1984, 20% of our population had a college degree; in 1990, 25% had graduated from college.

Once these people are hired, the better educated of those are the ones who will be promoted faster. And they are the ones who are less likely to be laid-off or fired.

Education = jobs and job opportunities. Jobs = money. It's that simple.

Now that you've read about the money reasons for education, read on to *The Sense of Education--part 2* for more reasons why you need to graduate from high school and then continue going to school!!

The $ense of Education--part 2

About **one out of every four students in Indiana drops out of school** before high school graduation. Why? Some feel there is no value in education. But, later, many of these drop-outs return to school; their future without their high school diploma is not what they wanted. In Indiana, **half of those who drop out of high school return** to get a diploma, or they get their GED.

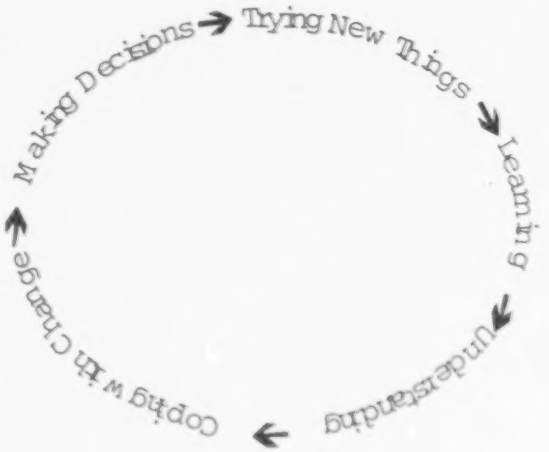
What can an education do for you?

We have already shown you that the more education you have, the more money you will make. But there are many more things which an education will do for you. Let's look at those.

Here are some other reasons that more education will help you throughout your life:

- you will make better decisions about most things in your life;
- you will learn how to learn--and you will learn throughout your entire life;
- because you will know about and understand more things, you will enjoy and appreciate more things;
- you will cope better with change--in a very changing world;
- you will try more things and do more things; and
- you will use your abilities and talents more.

Let's look at each of these things and then look at jobs and money in Part 2.



Making better decisions

More education will help you make better decisions. When you are learning facts and methods in school, you are also learning how to understand information. You are learning how to sort out information, how to analyze it, and how to use it. By learning how to deal with information, you are learning how to make good decisions. And making good decisions will lead to a more successful life.

Learning how to learn

When you are in school, you are learning. At first, you are learning the information your teachers present to you and what in is your books. But later, you will start learning the best way for *you* to learn. You will begin to understand the way you learn the best and easiest. This is important because as your life becomes busier, you will need to learn things quickly, yet completely. And because the world is contantly changing, you will be learning forever!

Appreciating and Understanding More

Of course, once you learn about something, you will understand it better. In some cases, you will even appreciate something once you understand it. For instance, before you started playing a sport, you might have watched it with your parents. You may have enjoyed it--but until you tried to play it, you probably did not understand how hard the game was and the skills it took to play it. By learning about many things--history, writing, literature, math--your appreciation for those things grows. This understanding and appreciation will enrich your life as well as help you make better decisions.

Coping with change

Our world is changing constantly. We see it in technology every day: new computers, compact discs versus digital tapes, the new high resolution television, and on and on. When you go to work, your job will be affected by technology. You will also see new ways which companies are being managed; teamwork is the future way you will be working. Again, with more education, you will find it easier to learn new ways of doing things. You will also more easily understand new ideas. You will be more flexible. You will cope with change much more easily.

Trying and Doing Things

Have you ever heard the old saying, "Try it; you may like it?" With more education, and thus more understanding, you will try more things and take more chances in your life. If you do not try things and take well-thought out risks, you will miss some great opportunities! Education introduces you to many new things, ideas, and people. Learning these things and meeting many different types of people will give you the confidence to enter new worlds!

USING YOUR ABILITIES AND TALENTS

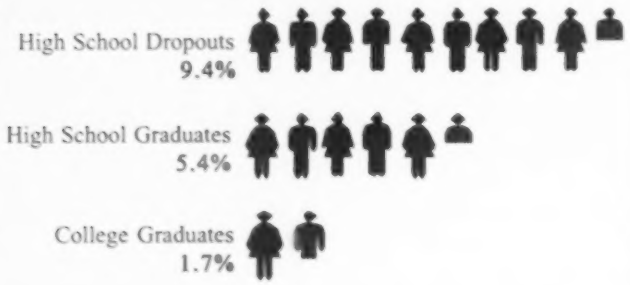
Once you have more education, you will be using your talents and abilities much, much more. Your education will have introduced you to new things which will use these skills you have. You will have more self-confidence to try new things and thus use these skills, also.

All of this will lead you to a bigger world of opportunity. Opportunities can only make your life more successful.

LAST BUT DEFINITELY NOT LEAST...

All of these abilities--making better decisions, knowing how to learn, understanding, coping with change, trying and doing, and using your talents and abilities--will lead you to more job security and a higher rung on the job ladder. This fact is proven by the following chart:

WHO IS UNEMPLOYED?



Megatrends 2000: Ten New Directions for the 1990's, by John Naisbitt and Patricia Aburdene states that "The unemployment rate for high school dropouts is nearly six times higher than that of college graduates."

Employers want and need employees who can make decisions on their own or within groups today. The workworld of today and of the future is dependent more and more on people who will work together as a team, solving problems and taking action. Employees are no longer expected to turn to the boss for all decisions on the job.

Employees must also be able to communicate clearly and completely, with their co-workers, with their supervisors and across departments.

Employees must be able to learn new technologies and processes and apply them to their work. Workers must identify better ways of accomplishing tasks and then apply these machines or methods to the tasks so that the company will be more efficient and productive.

The employees who can do these things are the ones who will get the more difficult jobs and be better paid; they will then be promoted and use even more of their skills and talents.

These are also the employees who will be kept by the company if it must lay-off people because of business problems. Any boss will want to keep his or her best employees--those who can perform well on the job.

Learning pays off in every part of your life! Keep learning throughout your high school years, and after. Education is the base of your future.

For more information on the job market and employment statistics, call the ICPAC Hotline at 1-800-992-2076 and order the following:

IS-46 ***The Future, Education, and the Job Outlook***
IS-52 ***The U.S. World of Work: 1990-2005***

At your local library, you might look at the book **The American Almanac of Jobs and Salaries** by John W. Wright, and Edward J. Dwyer, 1990-91 Edition, Avon Books, New York.

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